



BILLING CODE: 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-489-831]

#### **Carbon and Alloy Steel Wire Rod from Turkey: Final Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances**

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) determines that carbon and alloy steel wire rod (wire rod) from Turkey is being, or is likely to be, sold in the United States at less than fair value during the period of investigation (POI) is January 1, 2016, through December 31, 2016.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Ryan Mullen or Ian Hamilton, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5260 and (202) 482-4798, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On October 31, 2017, Commerce published the *Preliminary Determination* in the *Federal Register*.<sup>1</sup>

Commerce exercised its discretion to toll all deadlines affected by the closure of the Federal Government from January 20 through 22, 2018. If the new deadline falls on a non-

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<sup>1</sup> See *Carbon and Alloy Steel Wire Rod from Turkey: Preliminary Affirmative Determination of Sales at Less Than Fair Value, and Preliminary Negative Determination of Critical Circumstances*, 82 FR 50377 (October 31, 2017) (*Preliminary Determination*) and accompanying Preliminary Decision Memorandum.

business day, in accordance with Commerce's practice, the deadline will become the next business day. The revised deadline for the final determination of this investigation is now March 19, 2018.<sup>2</sup> A summary of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum, which is hereby adopted by this notice.<sup>3</sup>

#### Scope of the Investigation

The scope of the investigation covers wire rod from Turkey. For a complete description of the scope of the investigation, *see* Appendix I.

#### Scope Comments

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<sup>2</sup> See Memorandum for The Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government", dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by 3 days.

<sup>3</sup> See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Carbon and Alloy Steel Wire Rod from Turkey," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

During the course of this investigation, Commerce received numerous scope comments from interested parties. Prior to the *Preliminary Determination*, Commerce issued a Preliminary Scope Decision Memorandum to address these comments and made no changes to the scope of the investigation as it appeared in the *Initiation Notice*.<sup>4</sup>

In September 2017, we received scope case and rebuttal briefs. On November 20, 2017, we issued the Final Scope Decision Memorandum in response to the comments received.<sup>5</sup> We did not change the scope of this investigation.

### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues raised is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and it is available to all parties in the Central Records Unit, room B-8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

### Verification

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<sup>4</sup> For discussion of these comments, see Memorandum, "Carbon and Alloy Steel Wire Rod from Belarus, Italy, the Republic of Korea, the Russian Federation, South Africa, Spain, the Republic of Turkey, Ukraine, the United Arab Emirates, and the United Kingdom: Scope Comments Decision Memorandum for the Preliminary Determination" (Preliminary Scope Decision Memorandum), dated August 7, 2017.

<sup>5</sup> For discussion of these comments, see Memorandum, "Carbon and Alloy Steel Wire Rod from Belarus, Italy, the Republic of Korea, the Russian Federation, South Africa, Spain, the Republic of Turkey, Ukraine, the United Arab Emirates, and the United Kingdom: Final Scope Memorandum" (Final Scope Decision Memorandum), dated November 20, 2017.

As provided in section 782(i) of the Tariff Act of 1930, as amended, (the Act) in November 2017 and February 2018, we conducted verification of the sales and cost information submitted by Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi A.S. (Habas) and Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S. (Icdas) for use in our final determination. We used standard verification procedures, including an examination of relevant accounting and production records, and original source documents provided by Habas and Icdas.<sup>6</sup>

#### Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations for Habas and Icdas. For a discussion of these changes, *see* the “Margin Calculations” section of the Issues and Decision Memorandum.

#### All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated all-others rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding any zero or *de minimis* margins, and margins determined entirely under section 776 of the Act. Therefore, for purposes of determining the “all-others” rate and pursuant to section 735(c)(5)(A) of the Act, we are using the dumping margins calculated for Habas and Icdas, as referenced in the “Final Determination” section below.

In this investigation, Commerce calculated estimated weighted-average dumping margins for Habas and Icdas that are not zero, *de minimis* or based entirely on facts otherwise available.

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<sup>6</sup> For discussion of our verification findings, *see* the following memoranda: Memorandum, “Antidumping Duty Investigation of Certain Carbon and Alloy Steel Wire Rod from Turkey: Verification of Habas Sinai Ve Tibbi Gazlar Istih,” dated February 14, 2018; Memorandum, “Verification of Icdas Celik Enerji Tersane ve Ulasim A.S., in the Antidumping Duty Investigation of Certain Carbon and Alloy Steel Wire Rod from Turkey,” dated February 14, 2018; Memorandum, “Verification of Habas Sinai Ve Tibbi Gazlar Istih, in the Antidumping Duty Investigation of Certain Carbon and Alloy Steel Wire Rod from Turkey,” dated February 12, 2018; Memorandum, “Verification of Icdas Celik Enerji Tersane ve Ulasim A.S., in the Antidumping Duty Investigation of Certain Carbon and Alloy Steel Wire Rod from Turkey,” dated February 12, 2018.

Commerce calculated the all-others rate using a simple average of the estimated weighted-average dumping margins calculated for the examined respondents.<sup>7</sup>

#### Final Negative Determination of Critical Circumstances

For the *Preliminary Determination*, Commerce found that critical circumstances do not exist with respect to imports of wire rod from Habas, Icdas, and all-other exporters/producers covered by the “all others” rate.<sup>8</sup> We did not modify our critical circumstances findings for the final determination. Thus, pursuant to section 735(a)(3) of the Act, and 19 CFR 351.206(h)(1)-(2), we continue to find that critical circumstances do not exist with respect to subject merchandise produced or exported by Habas, Icdas, and “all others.”

#### Final Determination

The final weighted-average dumping margins are as follows:

<b>Exporter/Manufacturer</b>	<b>Weighted-Average Dumping Margins</b>	<b>Cash Deposit Rate Adjusted for Subsidy</b>
Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi	4.74	0.87
Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S.	7.94	4.15
All Others	6.34	2.51

#### Disclosure

We will disclose the calculations performed within five days of the date of public announcement of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

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<sup>7</sup> With two respondents under examination, Commerce normally calculates (A) a weighted average of the estimated weighted-average dumping margins calculated for the examined respondents; (B) a simple average of the estimated weighted-average dumping margins calculated for the examined respondents; and (C) a weighted average of the estimated weighted-average dumping margins calculated for the examined respondents using each company’s publicly-ranged U.S. sale quantities for the merchandise under consideration. Commerce then compares (B) and (C) to (A) and selects the rate closest to (A) as the most appropriate rate for all other producers and exporters. *See Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010). For a complete analysis of the data, please see the All-Others’ Rate Calculation Memorandum, dated concurrently with this notice.

<sup>8</sup> *See Preliminary Determination*, 82 FR at 50377, and accompanying Preliminary Decision Memorandum, at 18-21.

### Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of wire rod from Turkey, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after October 31, 2017, the date of publication of the preliminary determination of this investigation in the *Federal Register*.

Commerce normally adjusts cash deposits for estimated antidumping duties by the amount of export subsidies countervailed in a companion countervailing duty (CVD) proceeding, when CVD provisional measures are in effect. Accordingly, where Commerce made an affirmative determination for countervailable export subsidies, Commerce offset the estimated weighted-average dumping margin by the appropriate CVD rate. The adjusted cash deposit rate may be found in the Final Determination section above.

Further, Commerce will instruct CBP to require a cash deposit equal to the estimated amount by which the normal value exceeds the U.S. price as shown above.

### International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of wire rod from Turkey no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all

imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Orders (APO)

This notice serves as a reminder to parties subject to APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Gary Taverman  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance

Dated: March 19, 2018.

## **Appendix I**

### **Scope of the Investigation**

The products covered by this investigation are certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, less than 19.00 mm in actual solid cross-sectional diameter. Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high-nickel steel; (d) ball bearing steel; or (e) concrete reinforcing bars and rods. Also excluded are free cutting steel (also known as free machining steel) products (*i.e.*, products that contain by weight one or more of the following elements: 0.1 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorous, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium). All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products under investigation are currently classifiable under subheadings 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3093; 7213.91.4500, 7213.91.6000, 7213.99.0030, 7227.20.0030, 7227.20.0080, 7227.90.6010, 7227.90.6020, 7227.90.6030, and 7227.90.6035 of the HTSUS. Products entered under subheadings 7213.99.0090 and 7227.90.6090 of the HTSUS also may be included in this scope if they meet the physical description of subject merchandise above. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.



## **Appendix II**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Critical Circumstances
- IV. Scope of the Investigation
- V. Scope Comments
- VI. Margin Calculations
- VII. Discussion of the Issues
  - General
  - 1. Whether Respondents' Duty Drawback Adjustment Should be Granted as Reported and How to Calculate any Adjustment
  - Habas
  - 2. Whether Habas' U.S. Date of Sale is Contract Date or Invoice Date
  - 3. Whether Habas' Zero-Interest Loans Reflect Commercial Reality
  - 4. Whether Habas' Home Market Credit Expenses Should be Recalculated to Reflect the Period from Shipment to Payment
  - 5. Whether to Recalculate Habas' Billet Cost to Account for Yield Loss
  - 6. Whether Habas' Broken Billets Should Be Valued at Scrap Prices
  - Icdas
  - 7. Whether Icdas' U.S. Date of Sale is Contract Date or Invoice Date
  - 8. Whether the Application of Partial Adverse Facts Available (AFA) is Warranted for Icdas' Reporting of U.S. Sales
  - 9. Whether Commerce Should Calculate a Domestic Inland Freight Adjustment for Icdas' U.S. Sales
  - 10. Whether Commerce Should Disregard Icdas' Reported Cost of Inland Freight Charged by Third Party Providers in its Home Market Sales Database Home Market Freight Expenses
  - 11. Whether Commerce Should Include an Offset for Rental Income from Icdas Elektrik in Calculating Icdas' G&A Rate Ministerial Error in the Cost Test for OTS
  - 12. Whether Commerce Should Accept a Correction of a Clerical Error in the By-Product Adjustment Rate Financial Expense Ratio
  - 13. Whether Commerce Should Grant Icdas' Request to Correct Manufacturer Identification Codes
- VIII. Adjustment to Cash Deposit Rate for Export Subsidies
- IX. Recommendation

[FR Doc. 2018-06136 Filed: 3/27/2018 8:45 am; Publication Date: 3/28/2018]